



THIS ORDER IS SIGNED AND ENTERED.

Dated: May 22, 2018


Hon. Catherine J. Furay
United States Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT FOR
THE WESTERN DISTRICT OF WISCONSIN**

In Re:

In Bankruptcy No:

**SCHROEDER BROTHERS FARMS
OF CAMP DOUGLAS LLP**

Debtor/Debtor in Possession

Case No: 16-13719 (CJF)(Chapter 11)

**ORDER APPROVING PRE-CONFIRMATION FINANCING FOR CROP, REPARIS
AND RENT OF LAND LOAN AND TO GRANT A FIRST POSITION SECURITY
INTEREST IN 2018 CROPS (GROWING CROPS) STORED OR HARVESTED CROPS
FOR THE 2018 SEASON, PROCEEDS FROM CROP INSURANCE FOR ANY FAILED
CROPS, IF ANY AND PROCEEDS FROM THE SALE OF CROPS, A BLANKET LIEN
ON FARM EQUIPMENT/CATTLE SUBORDINATE TO ALL EXISTING LENDERS IN
EXISTENCE, A LIEN ON ANY GOVERNMENT PROGRAM PAYMENTS FOR THE
YEAR 2018 AND A SEMI-MONTHLY MILK ASSIGNMENT BEGINNING OCTOBER
2019 TOTALING \$15,000.00 PER MONTH (\$7,500.00 PER MILK CHECK) AND
CONTINUING UNTIL THE LOANS ARE PAID IN FULL**

The above matter having come on before the Court pursuant to a Motion to approve financing and granting a first position security interest in the 2018 crops, 2018 stored or harvested crops, proceeds from crop insurance for any of the failed crops in 2018, proceeds from sale of 2018 crops, a blanket lien on all farm equipment/cattle subordinate to all existing lenders in existence, a lien on government program payments for the crop year of 2018 and a semi-monthly milk assignment beginning October 2018 totaling \$15,000.00 (\$7,500.00 per milk

check) and continuing until the loans are paid in full with the Motion being served upon the parties as set forth in the Affidavit of Mailing in the Chapter 11 proceeding and no Objection having been filed on the record; based upon all the papers and records on file and upon Motion of PITTMAN & PITTMAN LAW OFFICES, LLC by Galen W. Pittman, attorney for the debtors,

IT IS ORDERED AS FOLLOWS:

1. The debtors request for the crop, repairs and rental of land loan from Insight FS secured by: (1) a first position security interest on all growing crops, stored/harvested crops for the 2018 season (the “2018 Crops”), proceeds from crop insurance for the 2018 Crops and proceeds from sale of the 2018 Crops pursuant to 11 U.S.C. § 364(d); (2) a blanket subordinate security interest via financing statement on all debtor’s collateral pursuant to 11 U.S.C. § 364(c)(3); (3) a lien on all government program payments related to the 2018 Crops pursuant to 11 U.S.C. § 364(c)(3); and (4) semi-monthly milk assignment pursuant to 11 U.S.C. § 364(c)(3) beginning in October 2018 totaling \$15,000.00 per month (\$7,500.00 per milk check paid by Schroeder Brothers Farms of Camp Douglas, LLP directly to Insight FS) and continuing until the loan is paid in full, is hereby approved.
2. The loan shall be made pursuant to and consistent with the Line of Credit Note and Security Agreement dated June 29, 2018, including Exhibit A and Addendum A (collectively, the “Insight FS Loan Documents”), in form and substance approved by the Unsecured Creditors Committee and BMO Harris Bank, N.A., which shall not be modified absent notice to creditors and further Court approval.

In the event of any inconsistencies between the Insight FS Loan Documents and This Order regarding the extent and priority of the collateral or liens in favor of Insight FS, this Order shall govern.

3. The loan proceeds are to be used exclusively for the Schroeder Brothers Farms of Camp Douglas, LLP expenses and not for personal expenses of the Schroeder (Ross, Randy, Travis and Troy). The Schroeders (Ross, Randy, Travis and Troy) shall not have direct control of the loan proceeds. The disbursements of the loan shall be made directly by Insight FS to the payee for the crop inputs, maintenance, rent, fuel, harvest or other expenses as necessary for the 2018 crops. Payments made by Debtor on the loan shall be made directly by Debtor to Insight FS, and not to or through the Schroeders.

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